truck industry news

March deliveries lowest for month since 1975

3-month sales decline 26.9 pct.

First-quarter retail sales of new trucks of all types in the U. S. dropped 26.9 percent below the previous year's record levels, and the total for March was the lowest for that month since 1975.

An estimated 708,211 vehicles were retailed by franchised dealers and factory outlets in the January-March period, compared with the 968,673 units sold in the comparable period in 1979.

The three-month totals include the non-captive Japanese-built compact pickups—the Toyota, Datsun and Mazda.

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March sales, including the non-captives, were down 33.4 percent from a year ago. The count was 245,479 units, compared with a record 368,237 in 1979.

Sales of the compact pickups, both captives and non-captives, were up 33.4 percent over the three-month period, but less than 400 units for the month.

The first-quarter total was 147,127 units, compared with 110,327 a year ago. The March count was 50,007, versus 49,610 in March, 1979.

Deliveries were down substantially in all three market segments in the first quarter.

Light-truck sales plunged almost 30 percent under the year-earlier total, from a record 871,952 to 637,394. Heavies skidded to 45,366 units, a drop of 20.6 percent below the year-ago 57,134, also a three-month high. Mediums were down 36.7 percent, from 40,230 in 1979 to 25,451.

Dealers franchised by U. S. manufacturers and their factory outlets retailed 633,604 new trucks in the first three months, according to preliminary figures from the Motor Vehicle Manufacturers Assn., down 26.9 percent from last year's record 961,587.

The MVMA totals include the captive Japanese compact pickups and the Volkswagen compact pickup.

On April 1, the number of unsold new vehicles in the hands of retailers franchised by domestic manufacturers was down 19.1 percent from last year. The total was 778,917 units, compar-

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March truck deliveries lowest for month since 1975

3-month sales decline 26.9 pct.

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ed with 962,873 in 1979, and the count was down in all three market segments.

There were 696,472 light trucks in stock at the start of the month, according to MVMA, a decline of 17.6 percent from the year-earlier 845,261. These totals do not include non-captive compact pickups, but their number is considered negligible because of the strong demand for the more fuel-efficient vehicles.

• Medium trucks in inventory on April 1 totaled 29,870, a decline of 45.7 percent from last year's 55,033, while the heavies were down 16 percent, from 62,579 a year ago to 52,575.

MVMA reported that dealers for the four Big Three truck manufacturers retailed 202,142 units in March, including the captive Japanese pickups, a drop of 37.8 percent from last year's record 325,064 vehicles.

For the first three months, the Big Three total was 569,585 units, down 33.5 percent from the year-ago 856,250, the first-quarter record.

Chevrolet said its dealers retailed 77,128 units during the month, off 40 percent from the year-earlier 128,573. The total included 9,489 LUV compact pickups, down 22.4 percent from last year's alltime high of 12,230.

In the first quarter, Chevrolet sales totaled 223,604 units, a decline of 33.4 percent from the 335,543 retailed in the same period in 1979. Included were 27,698 LUVs, a 10.8 percent drop below year's record 31,067.

In March, Ford dealers sold 75,591 new trucks, down 36.4 percent from the year-earlier 118,848. The Courier total was 7,282 units, off almost 27 percent from the March high of 9,988 set a year ago.

• Three-month Ford sales were down 32.7 percent from the like period a year ago, 319,994 to 215,293. Courier deliveries totaled 22,976 units, down slightly from the year-ago 22,976, a first-quarter record.

Chrysler Corp. said Dodge and Chrysler-Plymouth retailed 31,364 vehicles during the month, 31.9 percent fewer than the year-ago 46,078. The total included 5,111 Dodge D-50 compact pickups and 2,508 Plymouth Arrow compact. A year ago, the D-50 count was 3,764 and the Arrow total was 1,766.

In the January-March period, 75,870 Dodge and Plymouth trucks were retailed, a drop of 36.1 percent below last year's 118,802. D-50 sales totaled 13,055, almost double the year-ago 7,493, and the Arrow count was 6,317, again almost twice as many as were sold in the first three months of 1979.

GMC dealers retailed 18,059 units during the month and 31,565 in the first quarter. The March total was down 42.8 percent from the year-earlier 31,565, and the three-month count was off 33.1 percent from last year's 81,911.

American Motors reported 6,700 four-wheel-drive Jeep sales in March, a decline of 50 percent from the year-ago 13,143. The first-quarter total of 24,039 units was 44.3 percent lower than last year's record 43,138.

• Toyota dealers retailed 13,299 compact pickups during the month, an increase of 18.1 percent over last year's 11,263 units. The first-quarter total was 41,324, up 82 percent over the 22,701 sold in the same period in 1979.

Datsun sales were down for the month but higher for the quarter. March sales totaled 9,472, off 10.6 percent from the year-ago 10,599. Three-month sales were 36.7 percent higher than last year, 30,548 versus 22,344.

Mazda dealers sold 833 units during March, off 7.5 percent from last year's 901, and 2,735 in the first quarter, an increase of 61.8 percent over the 1,697 retailed in 1979.

Sales of Volkswagen compact pickups, introduced last December, totaled 2,846 in March, and 5,503 in the first three months of the year.

Big Three March, year-to-date truck sales

	March		Year to Date	
	1980	1979	1980	1979
Ford				
Vans	11,506	18,537	26,632	50,390
Club Wagon	3,039	4,140	6,688	11,188
Courier	7,282	9,988	22,682	22,976
Bronco	2,798	6,996	10,668	20,285
Conventional pickups	44,790	70,018	131,196	192,615
Mediums	4,586	6,845	13,249	17,124
Heavies	1,590	2,324	4,178	5,416
Chevrolet				
Vans	9,351	19,996	28,070	49,273
Sportvan	1,870	3,600	5,478	8,945
LUV	9,489	12,230	27,698	31,067
El Camino	4,253	4,778	11,990	12,196
Blazer	2,395	6,559	8,163	18,557
Suburban	2,690	4,536	7,152	12,077
Conventional pickups	43,375	17,447	125,075	191,526
Mediums	3,458	5,062	9,255	10,990
Heavies	247	365	723	912
Chrysler				
Vans	8,934	16,443	20,285	41,429
Voyager	913	1,069	1,955	2,647
Sportsman	2,509	3,151	5,759	8,371
Arrow	2,508	1,766	6,317	3,746
D-50	5,111	3,764	13,055	7,493
Trail Duster	592	659	1,340	2,076
Ramcharger	1,094	1,549	3,162	5,320
Conventional pickups	9,703	17,677	23,997	47,720
GMC				
Vans	2,314	4,525	7,066	12,107
Caballero	390	669	1,224	1,674
Jimmy	399	1,428	1,728	4,087
Suburban	379	889	1,299	2,260
Conventional pickups	9,065	17,809	28,865	46,589
P models	424	512	1,044	1,277
Mediums	3,014	3,088	7,861	7,794
Heavies	2,074	2,534	5,731	5,914
Motor homes	.....	111	.....	209

factories list auction dates

American Motors

Apr. 22—Aptco Auto Auction, 20911 Gladwin, Taylor, Mich.; D-A Waltz Mill Rd., New Stanton, Pa.

Apr. 23 — Kansas City Auto Auction, 1100 Elmwood Ave., Kansas City, Mo.; Dallas Auto Auction, 4226 E. Main, Dallas; Sand Mountain Auto Auction, U.S. 431, Boaz, Ala.

Apr. 24—Fredericksburg Auto Auction, U.S. 1 Alt., Fredericksburg, Va.

Apr. 29—Colorado Auto Auction, 6955 E. 50th Ave., Denver; Ohio Auto Auction, Grove City, O.

Apr. 30—Southern Auto Sales, S. Main St., Warehouse Point, Conn.

AMC sales are open to all dealers.

Chrysler Corp.

Apr. 21—Southeastern Recon, 1027 Pearl St., Darlington, S. C.

Apr. 22—Hatfield Recon Center, Rte. 309, Hatfield, Pa.; Birmingham Recon Center, 101 Miles Pkwy., Industrial Park, Pell City, Ala.; Metro Auto Auction of Kansas City, 101 W. Oldham Pkwy., Lee's Summit, Mo.; Southwest Auto Auction, 3420 S. 48th St., Phoenix.

Apr. 23—St. Pete Auto Auction, 14950 Roosevelt Blvd., Clearwater, Fla.; Lafayette Recon Center, 3182 Rte. 11, Lafayette, N. Y.; Al Eide's Minneapolis Auto Auction, 1125 A Nathan Lane N., Minneapolis.

Apr. 24—Auto City, 440 McClellan Hwy., East Boston, Mass.; Barberton Recon Center, 5075 Wooster Rd. W., Barberton, O.; Golden Gate Auto Auction, 6010 Stevenson Blvd., Fremont, Calif.

Apr. 25 — Floyd Hauhe Auto Auction, 12000 St. Charles Rock Rd., Bridgeton, Mo.

Apr. 28—Southeastern Recon, 1027 Pearl St., Darlington, S. C.

Apr. 29 — Hatfield Recon Center, Rte. 309, Hatfield, Pa.; D-A Auto Auction, Waltz Mill Rd., New Stanton, Pa.; Lemay's Recon Center, Rte. 11A W., Laconia, N. H.; Arena Auto Auction, 10355 S. Woodlawn, Chicago; Chrysler Leasing Corp. Used Vehicle Marshaling and Auction Center, 3500 W. MacArthur Blvd., Santa Ana, Calif.

Apr. 30—St. Pete Auto Auction, 14950 Roosevelt Blvd., Clearwater, Fla.; Al Eide's Minneapolis Auto Auction, 1125 A Nathan Lane N., Minneapolis; South Seattle Auto Auction, 19443 76th Ave. S., Kent, Wash.

Chrysler sales are restricted to Chrysler Corp. dealers.

Ford Motor Co.

April 22 — Arena Auto Auction, 10355 S. Woodlawn Ave., Chicago.

April 23 — Northway Exchange, Route 146, Clifton Park, N. Y.; Central States Auto Auction, 824 S. Taft, Mason City, Ia.; California Auto Dealers Exchange, 1320 Tustin Ave., Anaheim, Calif.

April 24—Columbus Fair Auto Auction, 4700 Groveport Rd., Obetz, O.

April 30—Concord Auto Auction, Hosmer St., Acton, Mass.; Clanton's Auto Auction, Hwy. 34 W., Darlington, S. C.

May 1—Minneapolis Northstar Auto Auction, 7701 Hwy. 101, Shakopee, Minn.

Model breakdown
Auction averages

	April To Date	March	Feb.
1980	$6,415	$6,799	$6,313
1979	5,077	5,108	5,151
1978	3,457	3,533	3,755
1977	2,643	2,691	2,790
1976	2,055	2,069	2,214
1975	1,695	1,769	1,836
1974	1,225	1,375	1,392
1973	1,046	991	1,127
Overall Average	$3,091	$3,112	$3,207

Used car sales
Auction averages

April to date	$3,091
Month ago	$3,161
Year ago	$3,230

6 car assembly plants to trim production

Output up, but GM plans cutbacks

By Michele Raquepau
Staff Writer

U. S. auto production last week of 134,932 rose 11.98 percent over the previous week's 120,496, but fell 35.41 percent from the 208,898 assembled in the comparable 1979 week.

Year-to-date output of 2,149,547 is a drop of 25.04 percent from the 2,867,440 built by this date in 1979.

General Motors built 86,034 cars last week and has 65.39 percent of year-to-date production. Ford Motor Co.'s output last week was 30,646. Ford has 19.83 percent of the year's total.

Chrysler Corp. assembled 10,380 units last week and has a 9.16 percent share of year-to-date output. American Motors produced 2,978 autos and has 2.75 percent of the total.

Volkswagen of America built 4,809 Rabbits last week. VWoA has 2.82 percent of year-to-date production. Checker Motors assembled 85 units and has 0.05 percent of the total.

GM announced production cuts in six auto assembly plants last week. Beginning April 28, one shift will be eliminated at both Cadillac Detroit and Janesville (Chevrolet). The remaining shift at Cadillac will run at its usual 53 units per hour. The single Janesville shift will also continue at 60 cars per hour.

Janesville is down this week for the fourth week in row.

Also on April 28, GM's Linden point (Riviera, Toronado, Eldorado, Seville) will begin a line-speed reduction from two shifts at 56 per hour to two shifts at 46 per hour.

Linden is closed this week for the second week in a row.

The line speed at Lansing (Cutlass, Delta 88 and 98) will be cut from two shifts at 60 cars per hour to two shifts at 53 per hour beginning May 5.

One shift will be cut at Leeds (Malibu, Monte Carlo) beginning May 5. The remaining shift will continue at 60 units per hour.

On May 19, Norwood (Camaro, Firebird) will also eliminate a shift. The working shift will maintain its line speed of 42 per hour.

GM's reductions will idle about 12,000 workers indefinitely.

All Chrysler assembly plants are working regular schedules this week. Last week, Chrysler's St. Louis and Lynch Rd. points were down.

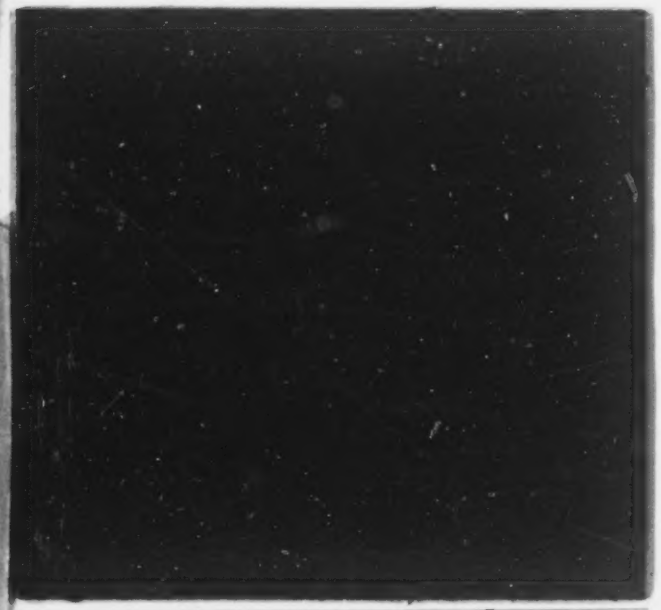
VWoA is working eight hours of overtime next Saturday (April 26). VWoA has scheduled overtime for eight straight weeks.

AMC's Kenosha point will work a regular schedule this week.

Ford's Wayne (Granada, Monarch, Versailles) plant closes today (April 21) for two weeks. The Wixom (Lincoln, Mark VI) plant is also down for one week beginning today.

Eaton names Pierman

CHATHAM, Ont.—Richard F. Pierman has been named manager - product engineering for Eaton Corp.'s Suspension Division.



Truck producers build 19,318, down 6 pct. for week

Truck production by U. S. makers last week of 19,318 fell 5.87 percent from the previous week's 20,524, and dropped 77.48 percent from the 85,782 built in the comparable 1979 week.

Year-to-date truck production of 555,804 is a 54.48 percent decline from the 1,221,122 assembled by this time last year.

American Motors' Toledo Jeep plant, which closed March 17 and planned to reopen April 18, is now scheduled to begin production April 21.

Volkswagen of America will work eight hours on both shifts this Saturday. VWoA has worked overtime for eight straight weeks.

Chrysler Corp.'s Missouri truck point is down this week for the second week. Chrysler's Jefferson plant is also closed this week.

General Motors announced production cuts at two of its truck plants last week.

Beginning May 5, production of light-duty Chevrolet and GMC trucks at Janesville will be reduced from two shifts at 20 units per hour to one shift at 27 per hour.

At Lordstown, production of vans will be cut beginning May 19 from one shift at 28 per hour to one shift at 23 per hour.

The Chevrolet Flint Line One (Blazer, Jimmy) is closed this week for the second week in a row.

Last week GM's St. Louis point was down.

Canadian output rises for week to 17,807 cars

Canadian auto production last week of 17,807 rose 28.63 percent over the previous week's 13,844. Chrysler Corp.'s Windsor assembly plant was closed both those weeks.

Last week's figure, however, was a 29.46 percent decline from the 25,245 built in the comparable 1979 week.

Year-to-date auto production of 271,165 is a drop of 21.01 percent from the 343,273 assembled by this date last year.

Truck production last week of 10,589 fell 1.23 percent from the previous week's 10,721, and dropped 35.48 percent from the 16,413 built in the same week of 1979.

U. S. CAR PRODUCTION

	Week Ended April 19, 1980	Same Week 1979	Week Ended April 12, 1980	April to date	Jan. 1, to April 21, 1979	Jan. 1, to April 19, 1980
AMERICAN MOTORS	2,978*	3,050*	2,978*	8,338*	36,556*	59,090*
Eagle	.....	.....	.....	.....	.....	.....
Concord	.....	.....	.....	.....	.....	.....
'78 AMX	.....	.....	.....	.....	.....	.....
Pacer	.....	.....	.....	.....	.....	.....
Spirit	.....	.....	.....	.....	.....	.....
CHRYSLER CORP.	10,380	22,354	7,757	28,690	270,510	197,021
Plymouth Total	5,380	9,820	3,870	13,739	107,362	90,510
Horizon	3,275	3,431	3,277	8,620	51,507	49,635
Volare	2,075	6,176	.....	4,178	53,767	32,502
'80 Gran Fury	.....	.....	593	818	.....	7,059
Caravelle†	30	213	.....	123	2,088	1,314
Chrysler Total	350	3,142	743	2,868	56,497	25,210
Chrysler	.....	.....	743	1,226	25,853	5,990
LeBaron	350	3,142	.....	1,642	30,644	19,220
Dodge Total	4,650	9,392	3,144	12,083	106,651	81,301
Omni	2,800	3,369	2,843	7,492	45,242	44,543
St. Regis	.....	.....	301	658	9,388	5,682
Diplomat	225	1,448	.....	946	15,894	8,244
Aspen	1,625	4,575	.....	2,987	36,127	22,832
FORD MOTOR	30,646	49,604	21,972	79,441	755,926	426,196
Ford Division	22,848	30,036	16,508	59,027	473,302	309,125
Pinto	3,423	3,898	3,350	8,975	57,335	28,392
Mustang II/Mustang	5,750	8,573	6,465	16,976	122,135	84,653
Fairmont	6,480	3,770	6,693	17,486	50,306	84,272
Granada	3,237	4,505	.....	5,715	48,562	26,054
LTD II	.....	1,020	.....	.....	14,333	.....
Thunderbird	3,958	7,780	.....	7,620	106,574	53,078
Ford	.....	490	.....	2,255	74,057	32,676
L-M Division	7,798	19,568	5,464	20,414	282,624	117,071
Mercury Total	6,374	15,001	4,371	17,259	213,297	103,973
Bobcat	598	1,169	649	1,728	14,466	6,382
Capri	2,223	2,411	1,775	4,869	35,738	25,123
Zephyr	2,148	2,090	1,947	5,304	18,769	27,667
Monarch	1,405	1,822	.....	1,879	26,066	8,033
Cougar/XR7	.....	4,662	.....	1,825	68,784	17,678
Mercury	.....	2,847	.....	1,654	49,474	19,090
Lincoln Total	1,424	4,567	1,093	3,155	69,327	13,098
Lincoln	575	2,317	500	1,316	34,235	4,809
Versailles	159	357	.....	280	7,138	1,434
Mark VI	690	1,893	593	1,559	27,954	6,855
GENERAL MOTORS	86,034	128,796	81,957	228,857	1,760,411	1,405,622
Buick Division	17,632	19,016	18,193	48,332	258,742	277,271
Skyhawk	.....	437	.....	.....	7,721	.....
Skylark/'79-'80	4,402	1,820	5,058	12,264	14,876	73,241
Century	4,372	1,289	4,276	11,466	16,885	57,412
Regal	5,348	6,261	5,472	14,260	90,546	70,532
Buick	3,510	7,426	2,132	8,347	106,172	58,385
Riviera	.....	1,783	1,255	1,995	22,542	17,701
Cadillac Division	2,140	8,926	2,069	7,265	144,256	80,039
Seville	.....	1,028	563	912	18,974	14,904
Cadillac	2,140	5,726	.....	4,120	95,701	44,861
Eldorado	.....	2,172	1,506	2,233	29,581	20,274
Chevrolet Division	33,720	51,669	36,586	93,935	746,646	583,551
Chevette	9,315	9,111	9,307	24,417	111,888	143,905
Monza	3,735	3,161	3,792	10,080	48,039	50,302
Camaro	1,530	6,576	3,161	6,733	96,971	42,662
Nova/Citation	9,150	6,292	10,601	25,418	49,636	148,297
Malibu	6,620	9,279	6,487	17,288	135,634	88,427
Monte Carlo	2,370	3,737	2,439	6,476	98,688	42,984
Chevrolet	.....	12,366	.....	1,328	19,074	52,055
Corvette	800	1,147	799	2,195	15,049	14,919
Oldsmobile Division	20,076	30,930	15,343	49,133	354,944	267,441
Starfire	.....	828	.....	.....	6,320	.....
Omega/'79-'80	2,288	366	2,733	6,508	7,740	38,591
Cutlass	11,418	17,377	11,463	30,283	168,337	124,327
Oldsmobile	6,370	10,760	.....	10,516	149,821	88,881
Toronado	.....	1,599	1,147	1,826	22,726	15,642
Pontiac Division	12,466	18,255	9,766	30,192	255,823	197,320
Acadian†	665	521	664	1,965	6,666	7,804
Sunbird	2,885	2,071	3,032	7,338	36,971	46,903
Phoenix/'79-'80	2,936	2,090	3,355	7,614	15,819	41,969
Firebird	870	5,038	2,282	4,292	72,540	31,173
LeMans	1,965	2,078	433	3,376	34,393	18,950
Grand Prix	1,745	2,476	.....	2,846	33,147	22,311
Pontiac	1,400	3,981	.....	2,861	64,287	28,210
VOLKSWAGEN	4,809	5,000	5,746	13,627	42,366	60,629
CHECKER	85*	94	86	227	1,379	989
Total Cars, U. S.	134,932	208,898	120,496	359,180	2,867,440	2,149,547

CANADIAN CAR PRODUCTION

	Week Ended April 19, 1980	Same Week 1979	Week Ended April 12, 1980	April to date	Jan. 1, to April 21, 1979	Jan. 1, to April 19, 1980
CHRYSLER CORP.	.....	4,303	.....	2,070	44,531	23,001
FORD MOTOR	5,422	7,769	5,406	14,927	99,777	74,168
GENERAL MOTORS	12,160	12,996	8,213	28,288	196,157	170,521
VOLVO	225	177	225	594	2,808	3,475
Total Cars, Canada	17,807	25,245	13,844	45,879	343,273	271,165
N. American Cars	152,739	234,143	134,340	405,059	3,210,713	2,420,712
N. American Trucks	29,907	102,195	31,245	96,258	1,463,263	730,964
North American Cars and Trucks	182,646	336,338	165,585	501,317	4,673,976	3,151,676

†—All Acadians and Caravelles are built for sale in Canada. *—Estimated.

TRUCK PRODUCTION IN U. S.†

	Week Ended April 19, 1980	Same Week 1979	Week Ended April 12, 1980	April to date	Jan. 1, to April 21, 1979	Jan. 1, to April 19, 1980
CHEVROLET	7,180	26,569	6,118*	20,134	378,159	189,159
DODGE/PLYMOUTH	1,250	10,824	3,814	7,508	162,585	44,248
FORD	4,808	31,874	5,523	23,426	428,994	206,000
GMC	3,460	8,037	2,456	8,507	108,933	53,516
INTERNATIONAL	.....	3,171	.....	.....	47,348	.....
MACK	620	471	510	1,485	12,241	9,453
WHITE	129	36	101	315	4,282	2,480
JEEP	.....	3,500*	.....	.....	57,888*	26,180*
AM CORP.	284*	450*	284*	795*	7,372*	2,963*
VOLKSWAGEN	687	.....	818	1,940	.....	8,545
MISCELLANEOUS	900*	850	900	2,520	13,320	13,260*
Total Trucks, U. S.	19,318	85,782	20,524	66,630	1,221,122	555,804

CANADIAN TRUCK PRODUCTION

	Week Ended April 19, 1980	Same Week 1979	Week Ended April 12, 1980	April to date	Jan. 1, to April 21, 1979	Jan. 1, to April 19, 1980
CHRYSLER CORP.	920	2,129	947	2,912	23,857	11,063
FORD MOTOR	3,184	6,255	3,175	9,469	89,536	60,734
GENERAL MOTORS	6,070	6,243	6,116	16,052	98,411	88,984
AMERICAN MOTORS	.....	1,216	.....	.....	20,984	8,479
INTERNATIONAL	290	452	342	850	6,810	3,992
MACK	60	38	71	165	1,201	932
WHITE	65	80	70	180	1,342	976
Total Trucks, Canada	10,589	16,413	10,721	29,628	242,141	175,160
N. American Trucks	.....	102,195	.....	.....	1,463,263	.....

**—Revised. †—Now includes van production.
Jeep includes commercial vehicles only. AM General includes government-destined vehicles.

Year-to-date output of 175,160 is a decline of 27.66 percent from the 242,141 produced by this time in 1979.

American Motors' Brampton plant resumes work on a regular schedule today (April 21).

General Motors will reduce production of vans at its Scarborough point from 23 units per hour to 21 per hour beginning May 5.

All Ford Motor Co. plants are working regular schedules this week. Ford's Oakville plant will cut one shift in August. The remaining shift will continue to operate at 20 vans per hour and 20 LTDs per hour. The move will idle 1,400 hourly employes and 125 salaried workers indefinitely.

The week of April 21, Ford will close its engine plant at St. Catharines, Ont. The plant manufactures 302 and 267-CID V-8 engines.

Chrysler's Windsor plant, which closed April 7, is scheduled to resume work May 5.

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Automotive News

Detroit, April 28, 1980

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55th year—$30 per year, $1.00 per copy

Domestic-line outlets in metro areas hardest hit

250 dealers call it quits in past 2 months

By Richard A. Wright
Assistant Managing Editor

"When things are bad our business is good," said a practitioner of the specialized business of liquidating assets of failing dealerships. "Our business has never been better."

The NADA estimates that there was a net loss of more than 600 new-car dealers last year, most of it in the latter part of the year, and another 200 in the first quarter of this year.

After talks with dealers, association managers and other observers across the country, AUTOMOTIVE NEWS estimates that some 250 dealerships have closed down and have not reopened in the past two months alone.

The attrition rate is climbing and all observers say things are going to get tougher.

Heaviest hit are domestic-line dealerships in metropolitan areas, who need big sales volume to meet overhead and who were more vulnerable to the financial squeeze precipitated by Federal Reserve Board policies and soaring interest rates.

The current attrition rate is substantially higher than during the 1974-75 oil crisis, when AUTOMOTIVE NEWS figures show net dealership losses of 369 in 1974 and 527 in 1975, compared with 672 in 1979.

• Another factor in the current attrition is that after the continuing shakeouts through the '70s—there were net losses in every year—the dealer body was pretty lean going into the current hard times, although some observers feel that Ford Motor Co. was overdealered in some areas.

Many of the dealerships failing in the past few months were not small, marginal points, but big-volume and often old-line outlets in major metropolitan areas.

The hard times began again with oil problems, but it was much different this time than in the Arab oil embargo of 1973. Then, the public was skeptical. While the price of gasoline doubled in a short time, it was so low to begin with that it was still not burdensome.

In 1974 and 1975, motorists were more worried about the availability of gasoline than the price. So once fuel became routinely available again, buyers who had flocked to small cars dumped them in large numbers and big-car sales boomed again.

The current situation is far more complex. There is a wider variety of small cars on the market now and they generally have greater sales appeal. During the earlier crisis, there were no General Motors X-body cars, no Chrysler Omni and Horizon, no Volkswagen Rabbit, no Ford Fiesta, no Colt Hatchback/Champ.

These cars with their small size but roomy interiors, front drive and—most importantly—truly good fuel economy, have much greater sales appeal than the Pinto-Vega-Duster generation of cars, which were often not that much better on mileage than their larger cousins.

• When the Iranian crisis began in 1979 and the oil supply again appeared threatened, the car-buying public again shifted to smaller cars. But this time the shift was made sharper by raging inflation in general and soaring gasoline prices in particular.

Gasoline prices again doubled, but now the level is high enough that it is a strong incentive to save fuel. While 60-cent-a-gallon gasoline was a shock in 1975, it was still not a bad bargain. Now, $1.30-a-gallon prices are not uncommon and it can easily cost $25 to $30 to fill up the tank of a full-size car.

So dealers went into summer in 1979 with heavy stocks of big cars. The situation was eased somewhat by rebates and special programs, but the market shifted far faster than the industry's ability to cope. When the 1980 models came out, most were greeted with yawns and while small-car lines were working at capacity and still not filling the demand, big-car inventories in dealer hands continued heavy.

The prime interest rate, pushed by inflation, climbed to historic highs and the costs of fi-

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VW's newest

Second-generation Dasher

Unofficial photos show restyled Volkswagen Passat undergoing road tests. Passat is expected to bow in Europe as an '81 model and show up in the U. S. as a Dasher as an '82 model. A four-wheel-drive option has been rumored. The new car is scheduled to share a new optional turbo-diesel 1.6-liter four with Audi 4000 for 1982. The Dasher notchback appears to fit into VW's model-proliferation scheme and it may get a separate nameplate, a la Golf/Jetta.

N.Y. Chevy retailers form dealer alliance

By John A. Russell
New York Staff Writer

NEW YORK. -- One hundred area dealers have formed the Chevrolet Dealers Alliance designed to go outside the conventional dealer council to "present their own views" to management.

This marks the first time Chevrolet dealers have bolted the ranks and set up an independent organization.

Robert Benjamin, of Bay Chevrolet, Queens, president of CDA, said the new organization was comprised of dealers in the New York and Northern New Jersey area. There are approximately 250 Chevrolet dealers in this area.

"We want conversation with the management," he said, but that didn't appear likely as General Motors quickly issued a statement flatly saying it had "no plans to meet with this group."

Two of the biggest complaints of the dealers center on the lack of small cars to sell and high interest rates.

The small-car question does not have an easy solution and Benjamin admitted he did not know whether the metro New York area was being short-changed. But he did say that spot checks in other areas of the country showed that these cars seemed to be plentiful.

• On floor-planning, Benjamin said his group really wanted relief from high interest rates as part of the package.

While he was attacking the floor-plan policy established by GM on April 1, GM announced a new floor-plan assistance similar to Ford's 12-percent cap. Benjamin had cited the latter as the type of plan his group was looking for.

Not having seen the new GM plan, Benjamin did not want to comment on the specifics, saying

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New survival plan submitted; cash crisis acute

Chrysler hopes for quick action

DETROIT. — Chrysler Corp. officials and their Washington allies last week were hopeful the Federal Loan Guarantee Board would issue conditional approval of the company's survival plan and $2-billion non-federal-aid package some time this week, perhaps as early as today.

The timing of the approval is crucial to Chrysler, which last week laid off 6,900 salaried and hourly employes in an attempt to slash about $200 million in annual overhead and stay afloat [illegible] drawing down federal loan guarantees.

In Washington, Chrysler officials seemed confident the board would eventually approve.

However, they said that with the approval schedule, which would allow the Senate and House Banking Committees up to 15 days to concur, Chrysler could be out of cash before it is eligible to draw down the U. S.-backed loans, even if everyone in Washington approves.

"We desperately need the cash by May 15," said one Chrysler official in Washington.

Here, Chrysler people remained somewhat nervous about the entire matter, although one vice president told AUTOMOTIVE NEWS: "They have to approve the package. The Carter Administration has taken the position that it wants to save Chrysler Corp. This is a political year and the Administration doesn't want the additional unemployment now."

• Some observers believed that the package Chrysler submitted to the board was merely an opening move and that the board would make "suggestions" to the auto maker about changes in its survival plan. Sources said this included plans to drop full-size car output within a year and close more than a half-dozen additional plants.

There also was evidence last

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breaking news

Chrysler package threatened

WASHINGTON. — Public Citizen Litigation Group, a Ralph Nader affiliate, has threatened to delay the federal Loan Guarantee Board's ruling on Chrysler Corp.'s $1.5-billion loan guarantees. The group said it might file a federal court suit here demanding public hearings on the Chrysler matter and threatened to seek a temporary restraining order. Chrysler has said a delay in board approval could be fatal.

Sporty Lynx/Escort to Canada

ST. THOMAS, Ont.—The sporty coupe version of the new Ford Motor Co. front-wheel-drive Escort/Lynx is scheduled for early-1981 startup here. The plant will account for the entire North American production of the model, Ford said. The Pinto and Bobcat, currently built here, will be dropped at the end of the model year while production of the Fairmont and Zephyr will continue until the changeover.

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Mid-April auto sales are lowest since 1958

By Jenny L. King
Staff Writer

Mid-April domestic auto sales fell to their lowest level for the period since the recession of 1958. Sales totaled 146,671, a shade lower than the 146,688 reported in 1975 but better than the 22-year-old figure of 113,981 in 1958.

Last year's mid-April sales were 246,203.

On a year-to-year basis, sales were down 40.43 percent, the greatest drop so far in 1980. The daily selling rate was down 32.98 percent, to an 18,334 average for eight days from a 27,356 average for nine days in 1979.

Year-to-date sales through April 20 stood at 2,228,600, down 15.89 percent from 2,649,754 in 1979.

DOMESTIC SALES

	April 11-20, 1980	April 11-20, 1979
AMERICAN MOTORS	3,500†	3,200†
Chrysler	2,836	9,989
Plymouth	5,239	6,274
Dodge	5,612	11,381
CHRYSLER CORP.	13,687	27,644
Ford	25,100	48,290
Mercury	6,868	15,845
Lincoln	1,883	3,910
FORD MOTOR	33,851	68,045
Buick	14,974	25,650
Cadillac	5,076	9,587
Chevrolet	34,234	50,821
Oldsmobile	18,701	30,112
Pontiac	18,011	26,173
GENERAL MOTORS	90,996	142,343
VOLKSWAGEN	4,637	4,971
INDUSTRY TOTAL	146,671	246,203

†—Estimated.

Four of the five major U. S. auto makers reported sales drops for the period while the AUTOMOTIVE NEWS estimate for American Motors Corp. sales put it up 9.38 percent, to 3,500 from 3,200.

General Motors sales were down 36.07 percent to 90,996 from 142,343. Ford reported a sales plummet of 50.25 percent, to 33,851 from 68,045. Chrysler mirrored Ford's decline; its sales were off 50.49 percent to 13,687 from 27,644. Volkswagen of America's Rabbit sales dipped 6.72 percent on a year-to-year basis, to 4,637 from 4,971.

GM earned 62.04 percent of the mid-April market, up from 57.81 percent last year. Ford sales accounted for 23.08 percent, down more than four percentage points from 27.64 percent. Chrysler cornered 9.33 percent, down from 11.23 percent.

VWoA had 3.16 percent, up from 2.02 percent last year, and AMC's estimated share of the domestic market was 2.39 percent, up from 1.30 percent.

Every make save AMC was down for the period. Declines ranged from VWoA's 6.72 percent to Mercury's 56.66 percent drop. Chrysler sales were down 54.80 percent, Dodge was down 50.69 percent and Plymouth dropped 47.55 percent.

Along with the Mercury drop was Lincoln's 51.84-percent decline and a drop of 48.02 percent at Ford.

GM losses included 31.18 percent at Pontiac, 32.64 percent at Chevrolet, 37.90 percent at Oldsmobile, 41.62 percent at Buick and 47.05 percent at Cadillac.